

2008-2009 PERFORMANCE PLAN – CHIEF ACTUARY (R. Seeling)

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	1 st and 2 nd Quarter Status Update
20%	Actuarial Service Level Expectations	<ul style="list-style-type: none"> For public agencies, complete all contract amendment cost analyses that do not require participant data changes within an average of 30 days. For State and Schools, complete all legislative cost analyses within the periods required by GOVA. Complete all Option 4 and subrogation requests within time periods established by the service level agreement with the Benefits branch. By October 31, 2008, mail 100% of all public agencies June 30, 2007 annual actuarial valuation reports containing employer rates for the fiscal year 2009-10. By April 30, 2009, complete the annual actuarial valuations for the 1959 Survivor program, the Legislators Retirement System, and the Judges Retirement Systems I and II. By April 30, 2009, complete the calculation of the State employer contribution rates for the fiscal year 2009-2010. By April 30, 2009, complete the calculation of the School employer contribution rate for the fiscal year 2009-2010. 	From schedule	<ul style="list-style-type: none"> Amendment cost analyses for the first and second quarter were completed in an average of 24 days. Legislative cost analyst for the State and schools were all completed within the periods required. All Option 4 and Subrogation calculations were completed within time periods established. 100% of all public agency annual valuations setting rates for fiscal 2009-10 were mailed by October 31, 2008. These valuations (1959 Survivor program, LRS, and JRS I & II) are on schedule for the May Board meeting. This valuation (State employer contribution rates) is on schedule for the May Board meeting. This valuation (School employer contribution rate) is on schedule for the May Board meeting.

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Qualitative Performance Measures (cont.)

Weight	Factor	Performance Measure	Incentive Schedule	1 st and 2 nd Quarter Status Update
20%	CalPERS response to GASB 43 and 45 – retiree medical costs	<p>Serve as executive providing support and guidance to the ongoing development of the OPEB trust fund and rollout to all public employers.</p> <p>Regarding the specifics of extending the trust to include employee contributions, by 12/31/2008, prepare a recommendation to the Board regarding an OPEB pre-funding trust for employees of California public agencies including</p> <ul style="list-style-type: none"> • Program structure (e.g., trust form, rules, etc. including any required legislation) • Trust program investment approach: how should the assets of participants be invested? • Program administrative structure • An outreach plan to inform employers and employees about the program • Methods to finance the start up of this new self-funded program • A schedule to accomplish this start up work 	From Schedule	<p>During the 1st and 2nd quarter CalPERS received additional employer contributions of \$130 million. Total CERBT employer contributions from program inception through 12/31/2008 amount to \$796 million.</p> <p>With regard to extending the trust to include employee contributions, at the July 2008 Board offsite meeting, staff presented information to the Board regarding extending the trust to include employees. Staff reported that (1) appropriate trust vehicles exist, (2) such a step would require new statutory authority, and (3) effort in that direction might divert staff resources from the PSR project. The Board guidance in this matter was that further action should be postponed until after the implementation of the PSR project.</p>
20%	CalPERS Enterprise-wide projects	<p>Privacy and Information Security Objective: Successful implementation of the CalPERS Enterprise Privacy and Security Program by June 30, 2009 will be measured by the following key milestones: By December 31, 2008, identify all security and privacy activities that may impact the security and confidentiality of CalPERS physical, informational, and/or financial assets. By December 31, 2008, identify all resources required to ensure successful implementation.</p>	From Schedule	On schedule

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Qualitative Performance Measures (cont.)

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15%	Pension System Resumption, Enterprise Management and Rollout to Employers	<p>Serve as chair of the steering committee for PSR, ETM, and PERT (roll out to employers). The Pension System Resumption (PSR)/ Enterprise Transition Management (ETM) and Public Employer Readiness Team (PERT) Projects will be on track for operational implementation by Spring 2010 as measured by the following key milestones:</p> <p>By September 30, 2008:</p> <ul style="list-style-type: none"> Approve the revised ETM Project scope, budget and staffing plan and complete initial organizational readiness assessment. <p>By December 30, 2008 By March 31, 2009:</p> <ul style="list-style-type: none"> Ensure PSR design activities are on schedule and the second ETM Change Readiness Assessment is complete. <p>By March 31, 2009: Ensure implementation of new IT operational processes critical to PSR at "go live" is on schedule and the third Change Readiness Assessment is complete.</p> <p>By June 30, 2009:</p> <ul style="list-style-type: none"> Ensure scheduled PSR development activities, the Employer Education Web Conference Series and regulatory changes required to support PSR are complete. Ensure final completion of ETM Change Readiness Assessment and the Organization Readiness Plans. <p><u>To be completed in 2009/2010:</u></p> <ul style="list-style-type: none"> <u>Ensure completion of the third Change Readiness Assessment</u> <u>Ensure final completion of ETM Change Readiness Assessment and the Organization Readiness Plans.</u> <p>Specific objectives for PERT are included below:</p> <ul style="list-style-type: none"> By 12/31/2008, 98% of reporting employers know the method by which they will deliver information to CalPERS. By 6/30/2009, 90% of reporting employers can transfer information in an acceptable format to CalPERS. 	From Schedule	<p>On schedule: During the 1st and 2nd quarter the design and planning for the integration of the Financial Services (long term receivables in PSR and other financial information in PeopleSoft) were completed and the work in underway.</p> <p>The ETM project schedule has been re-scoped and being integrated into the revised PSR schedule.</p> <p>The Employer readiness team has been given new resources (which remain to be filled) and is poised to deliver better technological and business information to employers.</p> <p>The first change readiness assessment was completed and the second was conducted in January 2009 for completion by March 2009.</p>

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Qualitative Performance Measures (cont.)

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15%	CalPERS Educational Forum	By October 31, 2008, complete the 2008 Educational Forum and obtain an average satisfaction rating of 4.0 or higher on a scale of 1 to 5 of all completed attendee evaluations.	From Schedule	The 2008 Educational Forum was successfully completed with an average rating of 4.6
10%	Special Projects	Throughout the fiscal year complete all tasks assigned by the Board or the Chief Executive Officer by the deadlines assigned.	From Schedule	Participated in the Board's discussion of the Long Term Care program.
100%	Total	Qualitative Measures		